

Good morning. My name is Assane Faye, International Union Security, Police and Fire Professionals of America (SPFPA), Washington DC District Director. I have held the position of Director for two and one-half years and have been employed by the International Union for three years. In the Washington DC/Maryland area, the International Union (SPFPA) represents nearly 2000 security officers, and on their behalf I would like to thank Madam Congresswoman, Eleanor Holmes Norton and Ranking Member, Mr. Sam Graves for allowing our case to be heard without much delay on this prestigious floor today. I also would like to thank the Mayor of Washington DC, Adrian Fenty, Corlis L. Sellers, Regional Administrator for the Department of Labor, Wage and Hour Division and particularly Enrique Lopez for working so diligently to bring our issue to the forefront of their agenda in the past six weeks, and Ms. Nina Ferraro, Contracting Officer for the U.S. Department of Homeland Security for the “Show Cause” Notice she issued so promptly to Startech, the day after her office received the Union’s complaint.

Between April 26, 2006 and March 28, 2007, I negotiated the Collective Bargaining Agreements between SPFPA and Startech, covering the security

officers at the Food and Drug Administration building in College Park, the Washington DC Navy Yard, the National Data Center in Oxon Hill, MD, the USDA Center in Riverdale, MD, the Potomac Centers in Washington DC and Wheaton MD, the Department of Education FOB6 in Washington, DC, and the International Trade Commission in Washington, DC as well.

Shortly after the negotiations in 2006, the Employer began to show patterns of lateness on the payroll schedule. On a few occasions, employees were unable to get their paycheck until four days later, and the Employer, namely Mr. Weldon Waites, continually put the blame on the government for failing to make these funds available to the appropriate bank. He said his company was now doing business with the National Bank of South Carolina, but the U.S. government sent the funds to the wrong bank. As a good faith gesture, Mr. Waites offered the employees an additional paid vacation day. In May 2007 the problem reoccurred, except this time there were no funds available for the entire month. For two consecutive pay periods the Employer failed to meet its obligations under the Collective Bargaining Agreement as set forth in Article 26. A grievance was then filed by the Chief Shop Steward Bryan Smith underlining furthermore the Employer's failure to remit the Health and Welfare, and Pension Fund contributions to the respective

accounts. In most cases, these accounts were never contributed to in accordance with Article 25 of the Collective Bargaining Agreement. Additionally, the Employer stopped remitting the dues contributions to the International Union since August of 2006, which again violated Article 2, Section 1 of the Collective Bargaining Agreement.

On or about May 20, 2007, I spoke with Mr. Waites and requested a meeting. He agreed to meet with the union leadership on May 23, 2007 to explain the problems associated with the company's failure to pay wages on the first pay period of the month. On the day in question, Mr. Waites decided to join us via speaker phone; and there he spoke for about 45 minutes responding confidently to all the questions that were asked, and said with assurance that he had an overdraft protection account of one million dollars set aside solely for the purpose of covering unanticipated payroll deficiencies. He also said in the past he had to use two million dollars from Sharon and Weldon Waites' personal bank account to fund payroll. He further noted that this incident was merely ADP's negligence for sending unsigned checks on Friday. He said ADP also failed to print the bank's routing number on the checks, and that naturally made it impossible for the company to pay the employees. Interestingly enough, the employees did not

receive their wages even two weeks after and Mr. Waites' bank account with the National Bank of South Carolina showed a negative of \$-1434.31 on June 1, 2007 (supporting documents available upon request). Later on during the meeting, I asked Mr. Waites to tell us about the Pension Fund, the Health and Welfare and the union dues contributions. He asked to be given be given some time to reconcile the figures, in order to be able to make payments. He once again blamed the Startech former Operations Manager, who he characterized as a poor performer, and consequently promoted Ann Marie Messner to General Manager. As a result, the previous Operations Manager resigned, and everything would now be back on track. Two days later, I found out that Mr. Waites himself wrote the resignation letter for his former Manager and demanded that he sign it, which of course this former manager refused to do. Mr. Waites tactfully put his own staff out of work, starved the security personnel and managed to avoid answering my question, which originally related to the Health and Welfare, Pension and dues contributions for which he is liable.

For clarity, I took the liberty of calculating an approximate dollar amount owed to the bargaining unit employees using the hourly wage rate as a unit of measure, assuming that all moneys, earmarked alike were already paid out

to Startech. If we use roughly a population of 1000 employees, which is about the capacity of Startech union and non-union employees included, times 160 hours of the month times \$20.10 per hour, the answer would be \$3,216,000 for the month of May alone. If we add to that \$3.60 per hour for Health and Welfare times 160 hours per month times 12 months (although the Employer misappropriated this money for longer than 12 months) times 1000 employees, the answer would be \$6,912,000 for 2006. Let's add again \$0.75 per hour for the 401K plan times 160 hours per month times 12 months times 1000 employees, the answer is \$1,440,000 for the 2006 alone. The sum of all three totals is equal to \$11,568,000 in a twelve-month period, without including 10 sick days and 10 vacation days, assuming every employee has worked for the company for only one year. The approximate total would then be \$11,568,000 + \$3,216,000 which add up to \$14,748,000. It is my hope that the government will not let Startech get away with that sum of money, since the sole access to remedy for the Union in this instance seems to be the Service Contract Act, and the Fair Labor Standards Act, or to respectively appeal to the resources of the Wage and Hour Division of the Department of labor and the National Labor Relations Board.

Unfortunately, under the bankruptcy shield, where Mr. Waites will presumably seek refuge, there is little assurance his corporate assets will meet the debt requirements, unless the negative account balance of June 1, 2007 finds its way up above par in a very dramatic way.

While the qualification prerequisites of security professionals are getting tougher to acquire, post orders are getting more stringent, and the post-911 era is yet to live past the first decade, we cannot allow bank foreclosures and bill collectors' threats and harassment to ruin the lives of our security professionals and their families.

We are at the dawn of a new generation of security and law enforcement, not only in the United States, but globally, and we must demonstrate quality leadership by example; but to do so we need our pride, dignity and respect restored.

Madam Congresswoman, Mr. Ranking member, the guard-force needs your help to collect these unpaid wages from Startech, and it needs it urgently.
Thank you.